



► **Construction Intentions in Saskatoon – The Ups and Downs**

INTRODUCTION

Construction is a key sector within the Saskatoon Region economy. Recently spending on a large number of non-residential projects has buoyed this sector. However, according to Statistics Canada data released yesterday, it looks as though overall construction intentions in Bridge City - which are indicative of future spending levels- are heading downward.

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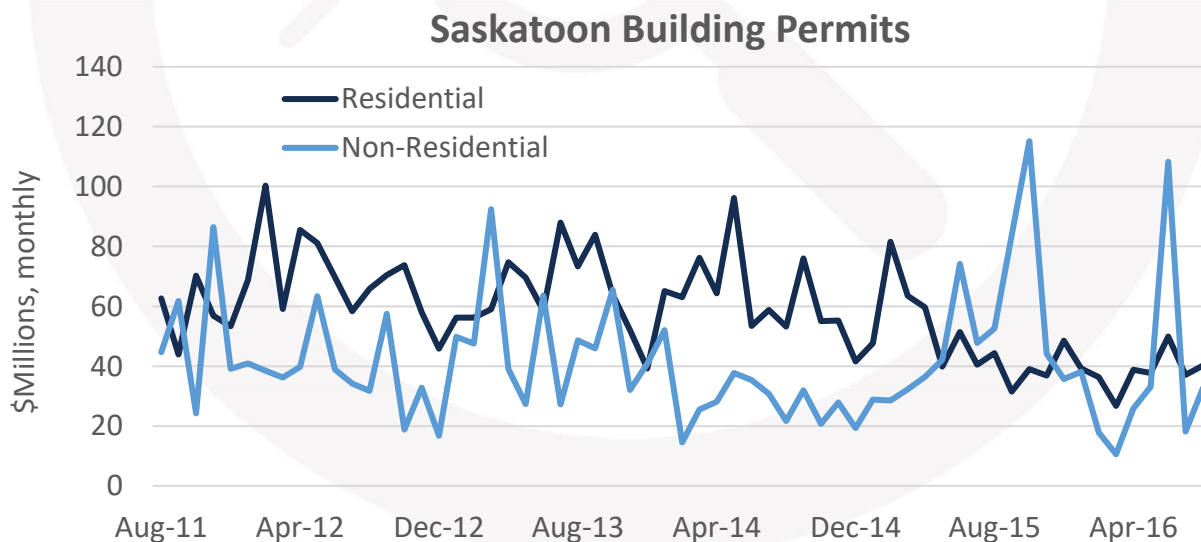
Statistics Canada reported yesterday that the value of August building permits in Saskatoon was \$72.8M, up 32% from July but down 25% from August 2015. Year to date, total building permit values are down 24% from the same time period of 2015, with residential down 28% and non-residential down 17%.

CONTEXT

An initial step when constructing a building is to take out a permit for the expected project cost. Hence, building permit data is a forward looking indicator of actual future spending in the construction sector. Building permits for many of the large institutional and infrastructure projects underway currently would have been taken out in previous years.

KEY POINTS

While activity in non-residential construction is providing a boost this sector, the building permit data indicates that may begin to taper off gradually in the future as these projects are completed.



Note: All data is seasonally adjusted
Source: Statistics Canada